IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

IN RE:)	
Joseph Z. Zucchero)	Bankruptcy No. 17 B 25299
)	Chapter 7
)	
	Debtor)	Judge LaShonda A. Hunt
)	
)	

To: See Attached List

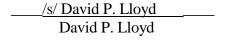
NOTICE OF MOTION

PLEASE TAKE NOTICE that on **February 8, 2018,** at the hour of 10:30 A.M., or as soon thereafter as counsel may be heard, I shall appear before the honorable LaShonda A. Hunt in Courtroom 719 of the United States Bankruptcy Court, 219 S. Dearborn St., Chicago, Illinois, or any other judge sitting in her place and stead, and shall then and there present the attached **Motion to Authorize Settlement**, a copy of which is hereby served upon you. You may appear if you so choose.

David P. Lloyd, Ltd. 615B S. LaGrange Rd. LaGrange IL 60525 708-937-1264 Fax: 708-937-1265

CERTIFICATE OF SERVICE

I, David P. Lloyd, an attorney, certify that I caused a copy of the foregoing Notice and Motion to be served on the parties listed on the attached service list by electronic notice where indicated by the insertion of the party's electronic address, prior to 5:00 P.M., this 26th day of January, 2018.



Joseph Z. Zucchero, Debtor Case 17-25299

Electronic Mail Notice List

The following is the list of <u>parties</u> who are currently on the list to receive email notice/service for this case.

David L Kane dkane@mpslaw.com, crampich@mpslaw.com

Patrick S Layng USTPRegion11.ES.ECF@usdoj.gov

David P Lloyd courtdocs@davidlloydlaw.com Dana N O'Brien dana.obrien@mccalla.com,

NDistrict@mccalla.com;veronica.frausto@mccalla.com

Toni Townsend toni.townsend@mccalla.com, northerndistrict@mccalla.com

Joseph Z. Zucchero, Debtor Case No. 17 B 25299 Service List

CRM Properties, Ltd. c/o Levin Ginsburg 180 N. LaSalle St., Ste. 3200 Chicago, IL 60601-2800

North Community Bank c/o Ice Miller 200 W. Madison St., Ste. 3500 Chicago, IL 60606-3417

Seterus PO Box 1077 Hartford, CT 06143-1077 Huntington PO Box 1558 Columbus, OH 43216-1558

Patrick S. Layng Office the US Trustee, Region 11 219 S. Dearborn St., Room 873 Chicago, IL 60604-2027

Plaza Bank c/o Arnstein & Lehr 1200 S. Riverside Chicago, IL 60606-3913

The Huntington National Bank 3 Cascade CT CAS56 Akron, OH 44308-1124 Internal Revenue Service Centralized Insolvency Operations PO Box 7346 Philadelphia, PA 19101-7346

Norman B. Newman Much Shelist, P.C. 191 N. Wacker Dr., Ste. 1800 Chicago, IL 60606-1631

Plaza Bank c/o Deutsch Levy & Engel 225 W. Washington St., Ste. 1700 Chicago, IL 60606-3404

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	Debtor)	Judge LaShonda A. Hunt

MOTION TO APPROVE SETTLEMENT WITH SHORTENED NOTICE

NOW COMES the Debtor, Joseph Z. Zucchero, by and through his attorney, David P. Lloyd, Ltd., and moves this honorable Court to approve a settlement pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, and in support thereof states as follows:

- 1. Movant commenced this case by filing a voluntary Chapter 11 petition on August 24, 2017.
- 2. On November 15, 2017, the Court entered an order converting this case to a case under Chapter 7, on the motion of a creditor, CR-FMV Investors, LLC.
- 3. CR-FMV Investors, LLC, is the only general unsecured creditor of the Debtor. The only other creditors of the Debtor are the holders of the first and second mortgages on the Debtor's residence, which are fully secured, and the Internal Revenue Service, which holds a tax claim in the amount of \$4,800.00 arising from the operation of Mr. Beef on Orleans, Inc. The claim was scheduled as a priority claim by the Debtor and would not be dischargeable in this Chapter 7 case.
- 4. The claim of CR-FMV Investors, LLC, has two components: (1) a direct loan to the Debtor secured by a third mortgage in the Debtor's residence, the amount due on which, pursuant to a proof of claim filed by the creditor, was \$186,644.00 as of the filing date of this case, and is fully secured. The claim was reduced to judgment on May 25, 2017; and (2) a guaranty obligation, on

which are liable third parties including JJD, Inc., which owns real estate at 666 N. Orleans Aveue, Chicago, Illinois, and Mr. Beef on Orleans, Inc., which operates a restaurant at that location. Both companies are half owned by the Debtor and managed and operated by the Debtor.

- 5. The Debtor has been involved in litigation with CR-FMV Investors, LLC, and its predecessor lender regarding the subject financial obligations since 2012, including appeals to the Illinois Appellate Court.
- 6. The Debtor and related entitites have reached a settlement agreement with CR-FMV Investors, LLC, a copy of which is attached hereto. Under the settlement agreemet, CR-FMV Investors, LLC, will be paid the sum of \$3,500,000.00 through a refinance obtained by the Debtor, JJD, Inc., and Mr. Beef on Orleans, Inc., as settlement in full of all claims of CR-FMV Investors, LLC, and the other parties to the agreement. Upon approval of the settlement agreement and payment of the agreed amount, all parties will dismiss all pending litigation referred to in the settlement agreement, including the pending appeals. The new lender has deposited funds in escrow and the parties are awaiting only a resolution of this bankruptcy case to consummate the loan and payment of CR-FMV.
- 7. The settlement was reached after extensive, arms-length negotiations among the Debtor, his related entities, and CR-FMV Investors, LLC. The terms of the settlement are reasonable and within the range of potential litigation outcomes.
- 8. The Debtor has provided notice to the Chapter 7 Trustee and to all creditors in this case.

 The Debtor requests that notice actually given of this motion be deemed sufficient.

WHEREFORE the Debtor prays that the Court authorize him to enter into the settlement agreement attached hereto, and that notice actually given be deemed sufficient.

Respectfully submitted, Joseph Z. Zucchero

By: /s/ David P. Lloyd
One of his attorneys

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